



A visionary adventure leisure company formed to build and operate world class indoor skydiving facilities across the region

FY 2017

Results Presentation



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1. Overview

Operational Highlights of FY17

3rd Australian Facility Opened in Perth

- First facility to open ahead of schedule
- Operations smooth and professional from day 1
- Winner Master Builders/BankWest 2017 Excellence in Construction – Best Public Use Building (under \$20m)

AirRider Brand Developed and Launched

- 100% ISA Group Owned
- Developed specifically for offshore market
- Draws on Australian heritage and track record of delivery

Investment in Systems and Growth

- Independent, international IT system developed
- Focus on “mobile first” customer interface
- Ready for initial deployment with AirRider 1 Utama



ISA Group is a growing, diversified cash generating business

1. Overview

Operational Highlights of FY17

Partnership with 1 Utama for First International Facility

- Leverage off strong local knowledge and expertise
- Reduced risk model with lower capital investment
- Purpose built, central, easily accessible location

Frequent Flyer Program Implemented

- Strong initial uptake
- Over 2,000 members Australia wide

Positioned for International Growth

- Unique branding
- Proven operating blueprint
- Record of delivery
- Stable, geographically diversified operating base



ISA Group has invested in an IT platform, brands and systems – will drive future offshore growth

2. Results & Analysis

	FY16 ('000)	Restated FY16 ('000)	1H17 ('000)	FY17 ('000)	Variance % (FY17 vs FY16 Restated)
Revenue & Other Income	\$8,344	\$8,344	\$5,145	\$12,317	48%
EBITDA*	\$35	(\$140)	(\$262)	\$1,233	978%
Net Profit After Tax	(\$1,315)	(\$1,507)	(\$893)	(\$891)	41%
Cashflow from operations	\$273	\$273	\$918	\$2,148	687%
Net Tangible Assets/Share	\$0.24	\$0.21	\$0.22	\$0.22	5%
Earnings/Share (cents)	(1.10)	(1.26)	(0.73)	(0.68)	46%

* EBITDA excludes the effect of share based payments and straight line leasing adjustments

2. Results & Analysis

Key Outcomes from FY17 Results

Profitable EBITDA*	\$1,233k
Positive Cashflow from Operations	\$2,148k
One off Accounting treatments	Lease Treatment (73k), Share Based Payments (178k)
Strong Sales Pipeline (unearned revenue)	\$1,907k
Impacted by Perth pre-operation expenses	(\$267k)
Property, Plant and Equipment	\$44m

Significant one off expensed items in commissioning Perth and Future Growth

* EBITDA excludes the effect of share based payments and straight line leasing adjustments

3. Strategy

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First Australian Tunnel
Proof of Concept

2nd Australian Tunnel
Tourist/Urban Model

3rd Australian Tunnel
Multi Market Model

4th Australian Tunnel
Partnership with SkyVenture

**International Systems
Development**

**S/E Asian
Preparation**

**S/E Asian Expansion
Management Model - Kuala Lumpur**

Further Asian Development

**Global Opportunities
/ Acquisitions**

Delivering Profitable Growth and a Pipeline of Future Opportunities

4. Current Focus

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Australian Tunnel Operations

- Stable Operations with 3 Facilities
- Customer Value Proposition
- Business Model Blueprint
- Growth in Market Segments
- Repeat Customer Attraction

Current Projects

- Sydney City
 - Cost Analysis/ROI
 - Partnership Structure
- Kuala Lumpur
 - Joint Venture
 - Construction & Operations
- Multi-Jurisdiction IT Systems

Resulting in:

- Diversity by region
- Reduction in competitor opportunities
- Economies of Scale
- Attractive Revenue Growth and Cash Generation
- Corporate overhead absorption
- Increased shareholder value

Contingency:

- Currency
- Project Risk
- Economic downturn

Managed by:

- Cost/Cashflow Management
- Project Timeline Management
- Geographic Diversification

Further Expansion

- Additional Australian Projects
- Partnership Projects: Australia & NZ (SkyVenture Projects)
- Developer Funded
- Management Agreements
- S/E Asia, HK, China
- Global Opportunities

4. Current Focus – Operations Australia

Driving Performance



- Streetscape Activation
- Inbound Tourism Initiatives
- Efficiencies Implemented
- Local Operator Synergies & Partnerships
- Base Café Established



- Strong Military and Professional Base
- National Championships
- Focus on Return Customers and Sport Development



- Early Success across Corporate and Kids Programs
- Driving Efficiencies
- Building Regular Customer Base



4. Current Focus – Developments - Malaysia

First International Facility

AirRider 1 Utama - On track to open December 2017

First integrated facility – world's 4th largest shopping centre

Management Model - proof of concept before wider roll out

Local Partner – reduces risk and initial capital outlay

Attractive ROI - 2-3 year payback

New Tunnel Supplier – choice of best suited technology

Global Recognition – leverage into new markets

1 Utama is the first AirRider Facility globally and represents the next level for ISA Group



AirRider
K U A L A L U M P U R



4. Current Focus – Developments - Australia

iFLY Sydney City

Agreement for Lease to Dec 17

Joint Venture with SkyVenture

Re-design underway to reduce CAPEX

Final Partnership Structure to be Determined

Construction Timeline to be developed

Focus on Shareholder Value



2nd Sydney site must demonstrate comparable returns to offshore opportunities for ISA Group investment

5. Outlook

Delivering Profit and Growth in FY18

Profitable Group EBIT expected for FY18

Malaysian operations to commence

Establishment of AirRider brand

Commence to repay external debt

Continued focus on Asian growth opportunity

Consolidation of Management Model

Flexibility in different operating environments



ISA Group will explore and drive growth opportunities from its profitable, diversified Australian base

6. Summary

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-  **Clear strategy** for growth in an expanding industry
-  **Dynamic** Board of Directors
-  **Strong** management team
-  **Expertise** in planning and execution
-  **Proven** to deliver
-  **Flexibility** in engagement / manufacturers / technology

7. Appendices

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Wayne Jones
Director &
Chief Executive Officer

Ken Gillespie
AC, DSC, CSM
Chairman

Danny Hogan MG
Director &
Chief Operations Officer

Stephen Baxter
Non-Executive Director



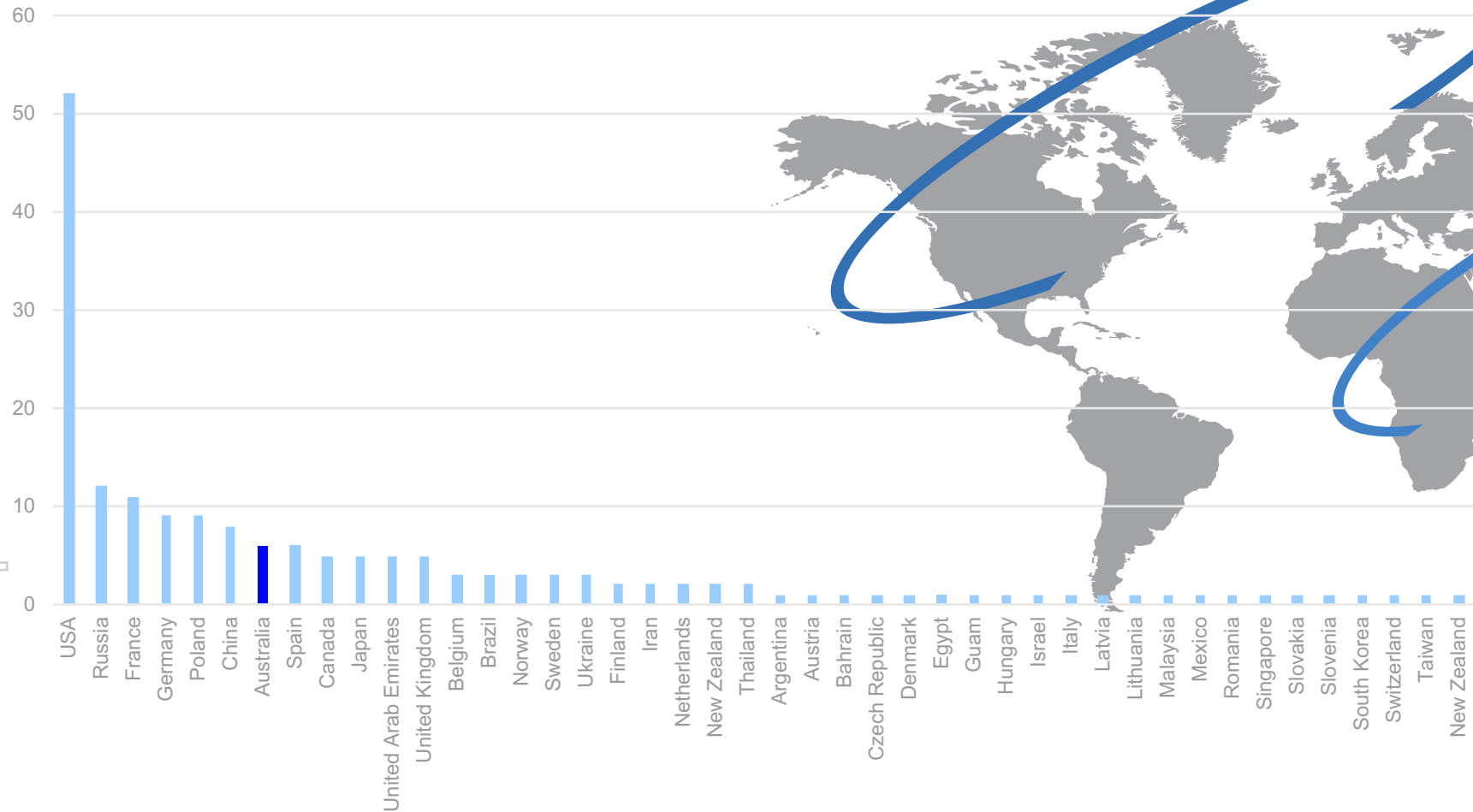
Dynamic and Experienced Board of Directors

7. Appendices

Global Industry

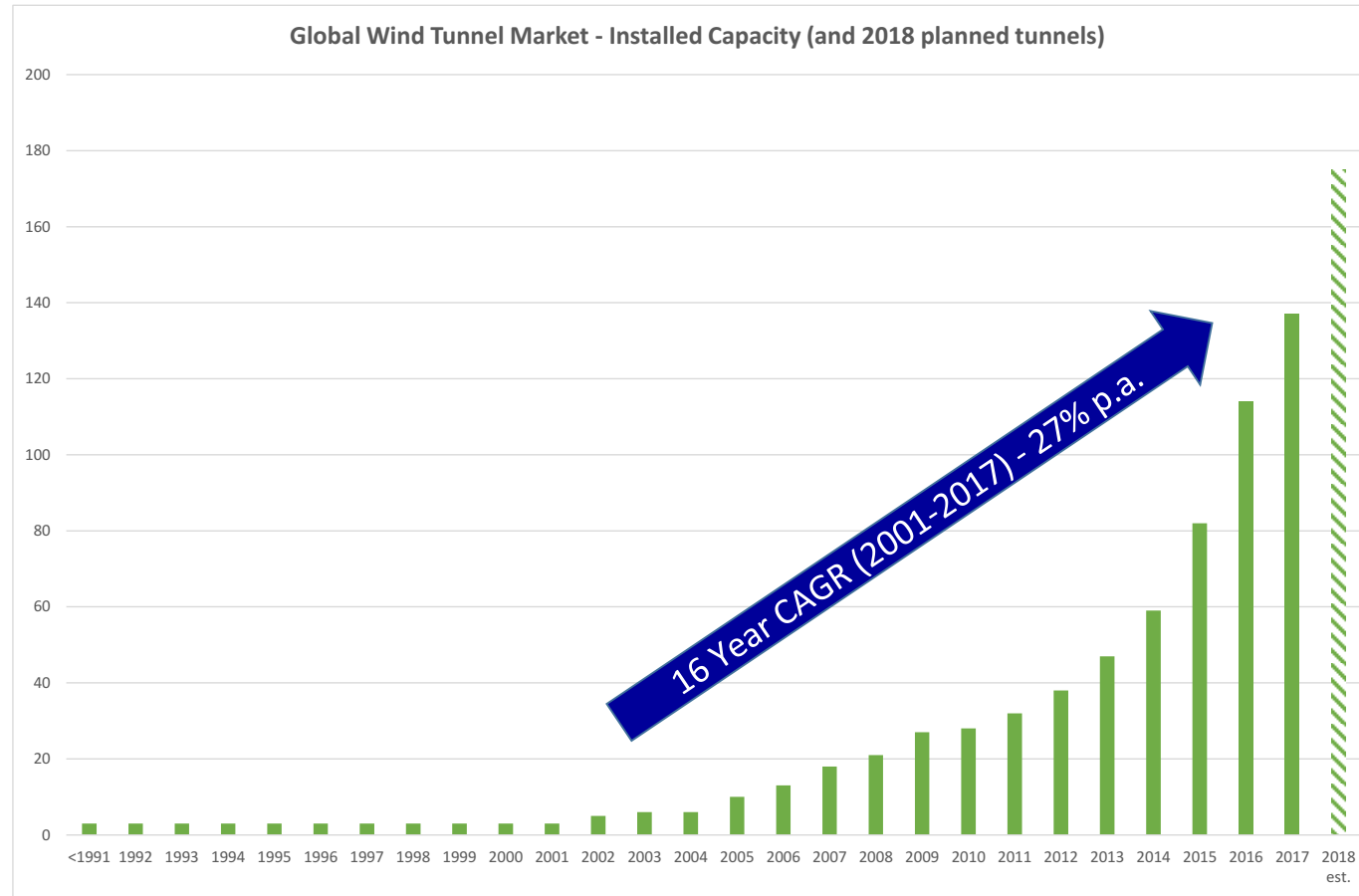
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Wind Tunnel Locations - Operational or Announced - Global



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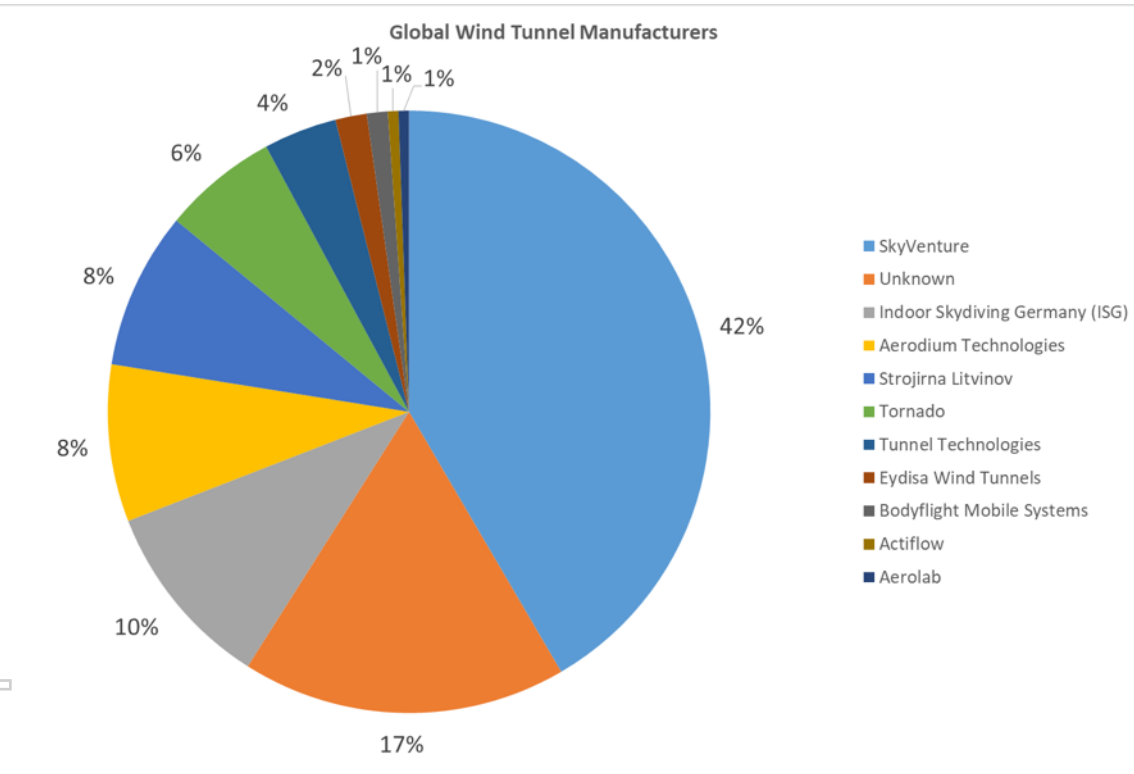
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Wind Tunnels – Long Term, High Growth, Global Market – 16 Year CAGR 27%

7. Appendices

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Wind Tunnels Manufacturers – Competition in Manufacturing is driving increased efficiency in Technology

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INDOOR SKYDIVE AUSTRALIA GROUP

*A visionary adventure leisure company
formed to build and operate world class
indoor skydiving facilities across the region*

Thank you

